

AMENDED IN ASSEMBLY MAY 15, 2012

AMENDED IN ASSEMBLY APRIL 24, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2227

Introduced by Assembly Member Bradford

February 24, 2012

An act to add Sections 25305.1 and 25305.2 to the Public Resources Code, and to amend Sections 398.2, 398.3, 398.4, 398.5, 399.30, 2836, and 9615 of, to amend and renumber Sections 385.2 and 387.5 of, to add Sections 9505, 9506, 9507, 9508, and 9508.5 to, and to repeal and add Section 2839 of, the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 2227, as amended, Bradford. Local publicly owned electric utilities: State Energy Resources Conservation and Development Commission: reporting.

Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations, as defined, while local publicly owned electric utilities, as defined, are under the direction of their governing board. Existing law requires a local publicly owned electric utility to report various matter to its consumers and the State Energy Resources Conservation and Development Commission (Energy Commission) relative to energy efficiency, renewable energy resources, the California Solar Initiative, and energy source content.

This bill would recast and revise the above-described reporting requirements into a division of the Public Utilities Code that is

applicable to publicly owned utilities and repeal certain reporting requirements.

Existing law requires the Energy Commission, beginning November 1, 2003, and every 2 years thereafter, to adopt an integrated energy policy report which includes an overview of major energy trends and issues facing the state. Existing law requires the Energy Commission to include certain information relative to local publicly owned electric utilities in the integrated energy policy report.

This bill would recast certain requirements relative to information about local publicly owned electric utilities that the Energy Commission is required to include in the integrated energy policy report.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 25305.1 is added to the Public Resources
2 Code, to read:

3 25305.1. The commission shall report to the Legislature, to be
4 included in each integrated energy policy report prepared pursuant
5 to Section 25302, regarding the progress made by each local
6 publicly owned electric utility serving end-use customers in
7 meeting the requirements of Section 9620 of the Public Utilities
8 Code.

9 SEC. 2. Section 25305.2 is added to the Public Resources Code,
10 to read:

11 25305.2. The commission shall include a summary of the
12 information reported pursuant to subdivisions (d) and (e) of Section
13 9505 of the Public Utilities Code in the integrated energy policy
14 report prepared pursuant to Section 25302. The commission shall
15 also include, for each local publicly owned electric utility, a
16 comparison of the local publicly owned electric utility's annual
17 targets established in accordance with that section, and the local
18 publicly owned electric utility's actual energy efficiency savings
19 and demand reductions. If the commission determines that
20 improvements can be made in either the level of a local publicly
21 owned electric utility's annual targets to achieve all cost-effective,
22 reliable, and feasible energy savings and demand reductions and
23 to enable local publicly owned electric utilities, in the aggregate,
24 to achieve statewide targets established pursuant to Section 25310,

1 or in meeting each local publicly owned electric utility's annual
2 targets, the commission shall provide recommendations to the local
3 publicly owned electric utility, the Legislature, and the Governor
4 on those improvements.

5 SEC. 3. Section 385.2 of the Public Utilities Code is amended
6 and renumbered to read:

7 9503. Upon the completion and promulgation of regulations
8 pursuant to subdivision (a) of Section 25943 of the Public
9 Resources Code, each governing body of a local publicly owned
10 electric utility, as defined in Section 224.3, shall be responsible
11 for implementing an energy efficiency program that recognizes
12 the intent of the Legislature to encourage energy savings and
13 greenhouse gas emission reductions in existing residential and
14 nonresidential buildings, while taking into consideration the effect
15 of the program on rates, reliability, and financial resources.

16 SEC. 4. Section 387.5 of the Public Utilities Code is amended
17 and renumbered to read:

18 2854. (a) In order to further the state goal of encouraging the
19 installation of 3,000 megawatts of photovoltaic solar energy in
20 California within 10 years, the governing body of a local publicly
21 owned electric utility that sells electricity at retail, shall adopt,
22 implement, and finance a solar initiative program, funded in
23 accordance with subdivision (b), for the purpose of investing in,
24 and encouraging the increased installation of, residential and
25 commercial solar energy systems.

26 (b) On or before January 1, 2008, a local publicly owned electric
27 utility shall offer monetary incentives for the installation of solar
28 energy systems of at least two dollars and eighty cents (\$2.80) per
29 installed watt, or for the electricity produced by the solar energy
30 system, measured in kilowatthours, as determined by the governing
31 board of a local publicly owned electric utility, for photovoltaic
32 solar energy systems. The incentive level shall decline each year
33 thereafter at a rate of no less than an average of 7 percent per year.

34 (c) A local publicly owned electric utility shall initiate a public
35 proceeding to fund a solar energy program to adequately support
36 the goal of installing 3,000 megawatts of photovoltaic solar energy
37 in California. The proceeding shall determine what additional
38 funding, if any, is necessary to provide the incentives pursuant to
39 subdivision (b). The public proceeding shall be completed and the

1 comprehensive solar energy program established by January 1,
2 2008.

3 (d) The solar energy program of a local publicly owned electric
4 utility shall be consistent with all of the following:

5 (1) That a solar energy system receiving monetary incentives
6 comply with the eligibility criteria, design, installation, and
7 electrical output standards or incentives established by the State
8 Energy Resources Conservation and Development Commission
9 pursuant to Section 25782 of the Public Resources Code.

10 (2) That solar energy systems receiving monetary incentives
11 are intended primarily to offset part or all of the consumer's own
12 electricity demand.

13 (3) That all components in the solar energy system are new and
14 unused, and have not previously been placed in service in any
15 other location or for any other application.

16 (4) That the solar energy system has a warranty of not less than
17 10 years to protect against defects and undue degradation of
18 electrical generation output.

19 (5) That the solar energy system be located on the same premises
20 of the end-use consumer where the consumer's own electricity
21 demand is located.

22 (6) That the solar energy system be connected to the electric
23 utility's electrical distribution system within the state.

24 (7) That the solar energy system has meters or other devices in
25 place to monitor and measure the system's performance and the
26 quantity of electricity generated by the system.

27 (8) That the solar energy system be installed in conformance
28 with the manufacturer's specifications and in compliance with all
29 applicable electrical and building code standards.

30 (e) In establishing the program required by this section, no
31 moneys shall be diverted from any existing programs for
32 low-income ratepayers, or from cost-effective energy efficiency
33 or demand response programs.

34 (f) The statewide expenditures for solar programs adopted,
35 implemented, and financed by local publicly owned electric utilities
36 shall be seven hundred eighty-four million dollars (\$784,000,000).
37 The expenditure level for each local publicly owned electric utility
38 shall be based on that utility's percentage of the total statewide
39 load served by all local publicly owned electric utilities.
40 Expenditures by a local publicly owned electric utility may be less

1 than the utility's cap amount, provided that funding is adequate to
2 provide the incentives required by subdivisions (a) and (b).

3 SEC. 5. Section 398.2 of the Public Utilities Code is amended
4 to read:

5 398.2. The definitions set forth in this section shall govern the
6 construction of this article.

7 (a) "Retail seller" has the same meaning as defined in Section
8 399.12.

9 (b) "System operator" means the Independent System Operator
10 with responsibility for the efficient use and reliable operation of
11 the transmission grid, as provided by Section 345, or a local
12 publicly owned electric utility that does not utilize the Independent
13 System Operator.

14 (c) "Specific purchases" means electricity transactions which
15 are traceable to specific generation sources by any auditable
16 contract trail or equivalent, such as a tradable commodity system,
17 that provides commercial verification that the electricity source
18 claimed has been sold once and only once to a retail consumer.
19 Retail sellers may rely on annual data to meet this requirement,
20 rather than hour-by-hour matching of loads and resources.

21 (d) "Unspecified sources of electricity" means electricity that
22 is not traceable to specific generation sources by any auditable
23 contract trail or equivalent, including a tradable commodity system,
24 that provides commercial verification that the electricity source
25 claimed has been sold once, and only once, to a retail consumer.

26 SEC. 6. Section 398.3 of the Public Utilities Code is amended
27 to read:

28 398.3. (a) Beginning January 1, 1998, or as soon as practicable
29 thereafter, each generator that provides meter data to a system
30 operator shall report to the system operator electricity generated
31 in kilowatthours by hour by generator, the fuel type or fuel types
32 and fuel consumption by fuel type by month on an historical
33 recorded quarterly basis. Facilities using only one fuel type may
34 satisfy this requirement by reporting fuel type only. With regard
35 to any facility using more than one fuel type, reports shall reflect
36 the fuel consumed as a percentage of electricity generation.

37 (b) The Energy Commission shall have authorization to access
38 the electricity generation data in kilowatthours by hour for each
39 facility that provides meter data to the system operator, and the
40 fuel type or fuel types.

1 (c) With regard to out-of-state generation, the Energy
2 Commission shall have authorization to access the electricity
3 generation data in kilowatthours by hour at the point at which
4 out-of-state generation is metered, to the extent the information
5 has been submitted to a system operator.

6 (d) Trade secrets as defined in subdivision (d) of Section 3426.1
7 of the Civil Code contained in the information provided to the
8 system operators pursuant to this section shall be treated as
9 confidential. These data may be disclosed only by the system
10 operators and only by authorization of the generator except that
11 the Energy Commission shall have authorization to access these
12 data, shall consider all these data to be trade secrets, and shall only
13 release these data in an aggregated form such that trade secrets
14 cannot be discerned.

15 SEC. 7. Section 398.4 of the Public Utilities Code is amended
16 to read:

17 398.4. (a) Every retail seller that makes an offering to sell
18 electricity that is consumed in California shall disclose its
19 electricity sources for the previous calendar year.

20 (b) The disclosures required by this section shall be made to
21 potential end-use consumers in all product-specific written
22 promotional materials that are distributed to consumers by either
23 printed or electronic means, including the retail seller's Internet
24 Web site, if one exists, except that advertisements and notices in
25 general circulation media shall not be subject to this requirement.

26 (c) The disclosures required by this section shall be made
27 annually to end-use consumers of the offered electricity. The annual
28 disclosure shall be made by the end of the first complete billing
29 cycle for the third quarter of the year, and shall be consistent with
30 information provided to the Energy Commission pursuant to
31 Section 398.5.

32 (d) The disclosures required by this section shall be made
33 separately for each offering made by the retail seller.

34 (e) The Energy Commission shall specify guidelines for the
35 format and means for disclosure required by Section 398.3 and
36 this section, based on the requirements of this article and subject
37 to public hearing.

38 (f) The costs of making the disclosures required by this section
39 shall be considered to be generation related.

1 (g) The disclosures required by this section shall comply with
2 the following:

3 (1) A retail seller's disclosure of its electricity sources shall be
4 expressed as a percentage of annual sales derived from each of the
5 following categories:

6 (A) Unspecified sources of electricity.

7 (B) Specific purchases.

8 (2) A retail seller's disclosure of its electricity sources shall also
9 separately identify total California system electricity, which is the
10 sum of all in-state generation and net electricity imports by fuel
11 type.

12 (h) Each of the categories specified in subdivision (g) shall be
13 additionally identified as a percentage of annual sales that is
14 derived from the following fuels or sources of energy:

15 (1) Coal.

16 (2) Large hydroelectric (greater than 30 megawatts) and any
17 other hydroelectric generation that is not an eligible renewable
18 energy resource pursuant to the California Renewables Portfolio
19 Standard Program (Article 16 (commencing with Section 399.11)).

20 (3) Natural gas.

21 (4) Nuclear.

22 (5) Eligible renewable energy resources pursuant to the
23 California Renewables Portfolio Standard Program (Article 16
24 (commencing with Section 399.11)), including any of the
25 following:

26 (A) Biomass and biowaste.

27 (B) Geothermal.

28 (C) Eligible hydroelectric.

29 (D) Solar.

30 (E) Wind.

31 (6) Other categories as determined by the Energy Commission.

32 (i) All electricity sources disclosed as specific purchases shall
33 meet the requirements of subdivision (c) of Section 398.2.

34 (j) Specific purchases identified pursuant to this section shall
35 be from sources connected to the Western Electricity Coordinating
36 Council interconnected grid.

37 (k) The provisions of this section shall not apply to generators
38 providing electric service onsite, under an over-the-fence
39 transaction as described in Section 218, or to an affiliate or
40 affiliates, as defined in subdivision (a) of Section 372.

SEC. 8. Section 398.5 of the Public Utilities Code is amended to read:

398.5. (a) Retail sellers that disclose specific purchases pursuant to Section 398.4 shall annually report to the Energy Commission, for each electricity offering for the previous calendar year, each of the following:

(1) The kilowatthours purchased, by generator and fuel type during the previous calendar year, consistent with the meter data, including losses, reported to the system operator.

(2) For each electricity offering the kilowatthours sold at retail.

(3) For each electricity offering the disclosures made to consumers pursuant to Section 398.4.

(b) Information submitted to the Energy Commission pursuant to this section that is a trade secret as defined in subdivision (d) of Section 3426.1 of the Civil Code shall not be released except in an aggregated form such that trade secrets cannot be discerned.

(c) The Energy Commission shall specify guidelines and standard formats, based on the requirements of this article and subject to public hearing, for the submittal of information pursuant to this article.

(d) In developing the rules and procedures specified in this section, the Energy Commission shall seek to minimize the reporting burden and cost of reporting that it imposes on retail sellers.

(e) The provisions of this section shall not apply to generators providing electric service onsite, under an over-the-fence transaction as described in Section 218, or to an affiliate or affiliates, as defined in subdivision (a) of Section 372.

(f) The Energy Commission may verify the veracity of environmental claims made by retail sellers.

SEC. 9. Section 399.30 of the Public Utilities Code is amended to read:

399.30. (a) In order to fulfill unmet long-term generation resource needs, each local publicly owned electric utility shall adopt and implement a renewable energy resources procurement plan that requires the utility to procure a minimum quantity of electricity products from eligible renewable energy resources, including renewable energy credits, as a specified percentage of total kilowatthours sold to the utility's retail end-use customers, each compliance period, to achieve the targets of subdivision (c).

1 (b) The governing board shall implement procurement targets
2 for a local publicly owned electric utility that require the utility to
3 procure a minimum quantity of eligible renewable energy resources
4 for each of the following compliance periods:

5 (1) January 1, 2011, to December 31, 2013, inclusive.

6 (2) January 1, 2014, to December 31, 2016, inclusive.

7 (3) January 1, 2017, to December 31, 2020, inclusive.

8 (c) The governing board of a local publicly owned electric utility
9 shall ensure all of the following:

10 (1) The quantities of eligible renewable energy resources to be
11 procured for the compliance period from January 1, 2011, to
12 December 31, 2013, inclusive, are equal to an average of 20 percent
13 of retail sales.

14 (2) The quantities of eligible renewable energy resources to be
15 procured for all other compliance periods reflect reasonable
16 progress in each of the intervening years sufficient to ensure that
17 the procurement of electricity products from eligible renewable
18 energy resources achieves 25 percent of retail sales by December
19 31, 2016, and 33 percent of retail sales by December 31, 2020.
20 The local governing board shall require the local publicly owned
21 electric utilities to procure not less than 33 percent of retail sales
22 of electricity products from eligible renewable energy resources
23 in all subsequent years.

24 (3) A local publicly owned electric utility shall adopt
25 procurement requirements consistent with Section 399.16.

26 (d) The governing board of a local publicly owned electric utility
27 may adopt the following measures:

28 (1) Rules permitting the utility to apply excess procurement in
29 one compliance period to subsequent compliance periods in the
30 same manner as allowed for retail sellers pursuant to Section
31 399.13.

32 (2) Conditions that allow for delaying timely compliance
33 consistent with subdivision (b) of Section 399.15.

34 (3) Cost limitations for procurement expenditures consistent
35 with subdivision (c) of Section 399.15.

36 (e) The governing board of the local publicly owned electric
37 utility shall adopt a program for the enforcement of this article on
38 or before January 1, 2012. The program shall be adopted at a
39 publicly noticed meeting offering all interested parties an
40 opportunity to comment. Not less than 30 days' notice shall be

1 given to the public of any meeting held for purposes of adopting
2 the program. Not less than 10 days' notice shall be given to the
3 public before any meeting is held to make a substantive change to
4 the program.

5 (f) (1) Each local publicly owned electric utility shall annually
6 post notice, in accordance with Chapter 9 (commencing with
7 Section 54950) of Part 1 of Division 2 of Title 5 of the Government
8 Code, whenever its governing body will deliberate in public on its
9 renewable energy resources procurement plan.

10 (2) Contemporaneous with the posting of the notice of a public
11 meeting to consider the renewable energy resources procurement
12 plan, the local publicly owned electric utility shall notify the
13 Energy Commission of the date, time, and location of the meeting
14 in order to enable the Energy Commission to post the information
15 on its Internet Web site. This requirement is satisfied if the local
16 publicly owned electric utility provides the uniform resource
17 locator (URL) that links to this information.

18 (3) Upon distribution to its governing body of information
19 related to its renewable energy resources procurement status and
20 future plans, for its consideration at a noticed public meeting, the
21 local publicly owned electric utility shall make that information
22 available to the public and shall provide the Energy Commission
23 with an electronic copy of the documents for posting on the Energy
24 Commission's Internet Web site. This requirement is satisfied if
25 the local publicly owned electric utility provides the uniform
26 resource locator (URL) that links to the documents or information
27 regarding other manners of access to the documents.

28 (g) A public utility district that receives all of its electricity
29 pursuant to a preference right adopted and authorized by the United
30 States Congress pursuant to Section 4 of the Trinity River Division
31 Act of August 12, 1955 (Public Law 84-386) shall be in compliance
32 with the renewable energy procurement requirements of this article.

33 (h) For a local publicly owned electric utility that was in
34 existence on or before January 1, 2009, that provides retail electric
35 service to 15,000 or fewer customer accounts in California, and is
36 interconnected to a balancing authority located outside this state
37 but within the WECC, an eligible renewable energy resource
38 includes a facility that is located outside California that is
39 connected to the WECC transmission system, if all of the following
40 conditions are met:

1 (1) The electricity generated by the facility is procured by the
2 local publicly owned electric utility, is delivered to the balancing
3 authority area in which the local publicly owned electric utility is
4 located, and is not used to fulfill renewable energy procurement
5 requirements of other states.

6 (2) The local publicly owned electric utility participates in, and
7 complies with, the accounting system administered by the Energy
8 Commission pursuant to this article.

9 (3) The Energy Commission verifies that the electricity
10 generated by the facility is eligible to meet the renewables portfolio
11 standard procurement requirements.

12 (i) Notwithstanding subdivision (a), for a local publicly owned
13 electric utility that is a joint powers authority of districts established
14 pursuant to state law on or before January 1, 2005, that furnish
15 electric services other than to residential customers, and is formed
16 pursuant to the Irrigation District Law (Division 11 (commencing
17 with Section 20500) of the Water Code), the percentage of total
18 kilowatthours sold to the district's retail end-use customers, upon
19 which the renewables portfolio standard procurement requirements
20 in subdivision (b) are calculated, shall be based on the authority's
21 average retail sales over the previous seven years. If the authority
22 has not furnished electric service for seven years, then the
23 calculation shall be based on average retail sales over the number
24 of completed years during which the authority has provided electric
25 service.

26 (j) A local publicly owned electric utility in a city and county
27 that only receives greater than 67 percent of its electricity sources
28 from hydroelectric generation located within the state that it owns
29 and operates, and that does not meet the definition of a "renewable
30 electrical generation facility" pursuant to Section 25741 of the
31 Public Resources Code, shall be required to procure eligible
32 renewable energy resources, including renewable energy credits,
33 to meet only the electricity demands unsatisfied by its hydroelectric
34 generation in any given year, in order to satisfy its renewable
35 energy procurement requirements.

36 (k) A local publicly owned electric utility shall retain discretion
37 over both of the following:

38 (1) The mix of eligible renewable energy resources procured
39 by the utility and those additional generation resources procured

1 by the utility for purposes of ensuring resource adequacy and
2 reliability.

3 (2) The reasonable costs incurred by the utility for eligible
4 renewable energy resources owned by the utility.

5 (l) On or before July 1, 2011, the Energy Commission shall
6 adopt regulations specifying procedures for enforcement of this
7 article. The regulations shall include a public process under which
8 the Energy Commission may issue a notice of violation and
9 correction against a local publicly owned electric utility for failure
10 to comply with this article, and for referral of violations to the
11 State Air Resources Board for penalties pursuant to subdivision
12 (o).

13 (m) (1) Upon a determination by the Energy Commission that
14 a local publicly owned electric utility has failed to comply with
15 this article, the Energy Commission shall refer the failure to comply
16 with this article to the State Air Resources Board, which may
17 impose penalties to enforce this article consistent with Part 6
18 (commencing with Section 38580) of Division 25.5 of the Health
19 and Safety Code. Any penalties imposed shall be comparable to
20 those adopted by the commission for noncompliance by retail
21 sellers.

22 (2) If Division 25.5 (commencing with Section 38500) of the
23 Health and Safety Code is suspended or repealed, the State Air
24 Resources Board may take action to enforce this article on local
25 publicly owned electric utilities consistent with Section 41513 of
26 the Health and Safety Code, and impose penalties on a local
27 publicly owned electric utility consistent with Article 3
28 (commencing with Section 42400) of Chapter 4 of Part 4 of, and
29 Chapter 1.5 (commencing with Section 43025) of Part 5 of,
30 Division 26 of the Health and Safety Code.

31 (3) For the purpose of this subdivision, this section is an
32 emissions reduction measure pursuant to Section 38580 of the
33 Health and Safety Code.

34 (4) If the State Air Resources Board has imposed a penalty upon
35 a local publicly owned electric utility for the utility's failure to
36 comply with this article, the State Air Resources Board shall not
37 impose an additional penalty for the same infraction, or the same
38 failure to comply, with any renewables procurement requirement
39 imposed upon the utility pursuant to the California Global Warming

1 Solutions Act of 2006 (Division 25.5 (commencing with Section
2 38500) of the Health and Safety Code).

3 (5) Any penalties collected by the State Air Resources Board
4 pursuant to this article shall be deposited in the Air Pollution
5 Control Fund and, upon appropriation by the Legislature, shall be
6 expended for reducing emissions of air pollution or greenhouse
7 gases within the same geographic area as the local publicly owned
8 electric utility.

9 (n) The commission has no authority or jurisdiction to enforce
10 any of the requirements of this article on a local publicly owned
11 electric utility.

12 SEC. 10. Section 2836 of the Public Utilities Code is amended
13 to read:

14 2836. (a) (1) On or before March 1, 2012, the commission
15 shall open a proceeding to determine appropriate targets, if any,
16 for each load-serving entity to procure viable and cost-effective
17 energy storage systems to be achieved by December 31, 2015, and
18 December 31, 2020. As part of this proceeding, the commission
19 may consider a variety of possible policies to encourage the
20 cost-effective deployment of energy storage systems, including
21 refinement of existing procurement methods to properly value
22 energy storage systems.

23 (2) The commission shall adopt the procurement targets, if
24 determined to be appropriate pursuant to paragraph (1), by October
25 1, 2013.

26 (3) The commission shall reevaluate the determinations made
27 pursuant to this subdivision not less than once every three years.

28 (4) Nothing in this section prohibits the commission's evaluation
29 and approval of any application for funding or recovery of costs
30 of any ongoing or new development, trialing, and testing of energy
31 storage projects or technologies outside of the proceeding required
32 by this chapter.

33 (b) (1) On or before March 1, 2012, the governing board of
34 each local publicly owned electric utility shall initiate a process
35 to determine appropriate targets, if any, for the utility to procure
36 viable and cost-effective energy storage systems to be achieved
37 by December 31, 2016, and December 31, 2020. As part of this
38 proceeding, the governing board may consider a variety of possible
39 policies to encourage the cost-effective deployment of energy

1 storage systems, including refinement of existing procurement
2 methods to properly value energy storage systems.

3 (2) The governing board shall adopt the procurement targets, if
4 determined to be appropriate pursuant to paragraph (1), by October
5 1, 2014.

6 (3) The governing board shall reevaluate the determinations
7 made pursuant to this subdivision not less than once every three
8 years.

9 SEC. 11. Section 2839 of the Public Utilities Code is repealed.

10 SEC. 12. Section 2839 is added to the Public Utilities Code,
11 to read:

12 2839. The commission does not have authority or jurisdiction
13 to enforce any of the requirements of this chapter against a local
14 publicly owned electric utility.

15 SEC. 13. Section 9505 is added to the Public Utilities Code,
16 to read:

17 9505. (a) By March 15, 2013, and by March 15 of each
18 odd-numbered year thereafter, each local publicly owned electric
19 utility shall report to the Energy Commission and to its customers
20 all of the following:

21 (1) Its investments in energy efficiency and demand reduction
22 programs.

23 (2) A description of each energy efficiency and demand
24 reduction program, program expenditures, cost-effectiveness of
25 each program, and expected and actual energy efficiency savings
26 and demand reduction results that reflect the intent of the
27 Legislature to encourage energy savings and reductions in
28 emissions of greenhouse gases resulting from providing service
29 to existing residential and nonresidential buildings, while taking
30 into consideration the effect of the program on rates, reliability,
31 and financial resources.

32 (3) The sources for funding of its energy efficiency and demand
33 reduction programs.

34 (4) The methodologies and input assumptions used to determine
35 the cost-effectiveness of its energy efficiency and demand reduction
36 programs.

37 (b) By March 15, 2013, and by March 15 of each odd-numbered
38 year thereafter, each local publicly owned electric utility shall
39 identify all potentially achievable cost-effective electricity
40 efficiency savings and shall establish annual targets for energy

1 efficiency savings and demand reduction for the next 10-year
2 period. A local publicly owned electric utility's determination of
3 potentially achievable cost-effective electricity efficiency savings
4 shall be made without regard to previous minimum investments
5 undertaken pursuant to Section 385. A local publicly owned electric
6 utility shall treat investments made to achieve energy efficiency
7 savings and demand reduction targets as procurement investments.

8 (c) Within 60 days of establishing annual targets pursuant to
9 subdivision (b), each local publicly owned electric utility shall
10 report those targets to the Energy Commission, and the basis for
11 establishing those targets.

12 (d) Each local publicly owned electric utility shall make
13 available to its customers and to the Energy Commission the results
14 of any independent evaluation that measures and verifies the energy
15 efficiency savings and the reduction in energy demand achieved
16 by its energy efficiency and demand reduction programs.

17 SEC. 14. Section 9506 is added to the Public Utilities Code,
18 to read:

19 9506. (a) A local publicly owned electric utility shall report
20 to the Energy Commission regarding the energy storage system
21 procurement targets and policies adopted by the governing board
22 pursuant to paragraph (2) of, and report any modifications made
23 to those targets as a result of a reevaluation undertaken pursuant
24 to paragraph (3) of, subdivision (b) of Section 2836.

25 (b) By January 1, 2017, a local publicly owned electric utility
26 shall submit a report to the Energy Commission demonstrating
27 that it has complied with the energy storage system procurement
28 targets and policies adopted by the governing board pursuant to
29 subdivision (b) of Section 2836.

30 (c) By January 1, 2021, a local publicly owned electric utility
31 shall submit a report to the Energy Commission demonstrating
32 that it has complied with the energy storage system procurement
33 targets and policies adopted by the governing board pursuant to
34 subdivision (b) of Section 2836.

35 (d) The Energy Commission shall ensure that a copy of each
36 report or plan required by subdivisions (b) and (c), with any
37 confidential information redacted, is available on the Energy
38 Commission's Internet Web site, or on an Internet Web site
39 maintained by the local publicly owned electric utility that can be
40 accessed from the Energy Commission's Internet Web site.

1 (e) A summary of the reports required by this section shall be
2 included as part of each integrated energy policy report required
3 pursuant to Section 25302.

4 SEC. 15. Section 9507 is added to the Public Utilities Code,
5 to read:

6 9507. (a) For purposes of this section, “eligible renewable
7 energy resource” and “renewables portfolio standard” have the
8 same meanings as for the California Renewables Portfolio Standard
9 Program (Article 16 (commencing with Section 399.11) of Chapter
10 2.3 of Part 1 of Division 1).

11 (b) Every local publicly owned electric utility shall annually
12 disclose all of the following:

13 (1) Its electricity sources to end-use customers for the previous
14 calendar year. The annual disclosure shall be made by the end of
15 the first complete billing cycle for the third quarter of the year,
16 and shall be consistent with information provided to the Energy
17 Commission pursuant to Section 9508.

18 (2) The utility’s progress toward attaining the renewables
19 portfolio standard established pursuant to Section 399.30.

20 (3) Expenditures for development of eligible renewable energy
21 resources, including a description of programs, sources of funding,
22 expected results, and actual results.

23 (c) The disclosures required by this section shall be made to
24 potential end-use consumers in all product-specific written
25 promotional materials that are distributed to consumers by either
26 printed or electronic means, including the local publicly owned
27 electric utility’s Internet Web site, if one exists, except that
28 advertisements and notices in general circulation media shall not
29 be subject to this requirement.

30 (d) A local publicly owned electric utility shall, on an annual
31 basis, make available to its customers information relating to the
32 utility’s solar initiative program established pursuant to Section
33 2854, including the rated generating capacity of installed solar
34 energy systems receiving monetary incentives through the utility’s
35 program, the total number of solar energy systems installed, the
36 total number of applications for the utility’s program, the amount
37 of monetary incentives awarded, and the contribution toward the
38 program goals of the California Solar Initiative (Article 1
39 (commencing with Section 2851) of Chapter 9 of Part 2 of Division
40 1).

1 (e) Each local publicly owned electric utility shall make
2 information available in electronic form on an Internet Web site
3 relative to the utility's investments in energy efficiency programs
4 and renewable energy programs pursuant to Section 2854 and
5 include information and data relative to all of the following:

6 (1) A general description of the utility's energy efficiency
7 programs.

8 (2) The total budget for energy efficiency programs during the
9 then-current fiscal year with the remaining unencumbered available
10 funds.

11 (3) A summary of expenditures made for energy efficiency
12 programs and renewable energy programs pursuant to Section
13 2854 during the then-current fiscal year that includes the following:

14 (A) The number of rebates or other incentives provided.

15 (B) The moneys spent or encumbered for each energy efficiency
16 program and renewable energy program pursuant to Section 2854.

17 (C) A breakdown, *to the extent practicable*, of the recipients of
18 rebates or other incentives by customer classes and, for residential
19 customers, by whether the recipients are low-income customers.

20 (D) The information required by this paragraph shall be updated
21 not less often than quarterly.

22 (E) The information required by this paragraph may be made
23 available in the form of a spreadsheet accessible by a uniform
24 resource locator (URL) connection on an Internet Web site.

25 (F) Each local publicly owned electric utility shall provide the
26 Energy Commission with information as to how to access the
27 information required by this paragraph. The Energy Commission
28 shall make information available on its Internet Web site, including
29 a uniform resource locator (URL) connection that will enable
30 members of the public to access the information required by this
31 paragraph.

32 SEC. 16. Section 9508 is added to the Public Utilities Code,
33 to read:

34 9508. (a) A local publicly owned electric utility that discloses
35 specific purchases pursuant to Section 9507 shall annually report
36 to the Energy Commission, for each electricity offering for the
37 previous calendar year, each of the following:

38 (1) The total kilowatthours purchased, by generator and fuel
39 type, during the previous calendar year, consistent with the meter
40 data, including losses, reported to the system operator.

1 (2) For each electricity offering, the total kilowatthours sold at
2 retail.

3 (3) For each electricity offering, the disclosures made to
4 consumers pursuant to Section 9507.

5 (b) Information submitted to the Energy Commission pursuant
6 to this section that is a trade secret, as defined in subdivision (d)
7 of Section 3426.1 of the Civil Code, shall not be released except
8 in aggregated form such that the trade secret cannot be discerned.

9 (c) In developing the rules and procedures specified in this
10 section and in Section 9507, the Energy Commission shall seek
11 to minimize the reporting burden and cost of reporting that it
12 imposes on local publicly owned electric utilities.

13 (d) The Energy Commission may verify the veracity of
14 environmental claims made by local publicly owned electric
15 utilities.

16 (e) A local publicly owned electric utility shall annually submit
17 to the Energy Commission documentation regarding eligible
18 renewable energy resources procurement contracts that it executed
19 during the prior year, as follows:

20 (1) A description of the eligible renewable energy resource,
21 including the duration of the contract or electricity purchase
22 agreement.

23 (2) A description and identification of the electrical generating
24 facility providing the eligible renewable energy resource under
25 the contract.

26 (3) An estimate of the percentage increase in the utility's total
27 retail sales of electricity from eligible renewable energy resources
28 that will result from the contract.

29 (f) A local publicly owned electric utility shall, on an annual
30 basis, make available to the Legislature and the Energy
31 Commission information relating to the utility's solar initiative
32 program established pursuant to Section 2854, including the rated
33 generating capacity of installed solar energy systems receiving
34 monetary incentives through the utility's program, the total number
35 of solar energy systems installed, the total number of applications
36 for the utility's program, the amount of monetary incentives
37 awarded, and the contribution toward the program goals of the
38 California Solar Initiative (Article 1 (commencing with Section
39 2851) of Chapter 9 of Part 2 of Division 1).

1 SEC. 17. Section 9508.5 is added to the Public Utilities Code,
2 to read:

3 9508.5. A local publicly owned electric utility serving end-use
4 customers shall, upon request, provide the Energy Commission
5 with any information the Energy Commission determines is
6 necessary to evaluate the progress made by the local publicly
7 owned electric utility in meeting the requirements of Section 9620.

8 SEC. 18. Section 9615 of the Public Utilities Code is amended
9 to read:

10 9615. Each local publicly owned electric utility, in procuring
11 energy to serve the load of its retail end-use customers, shall first
12 acquire all available energy efficiency and demand reduction
13 resources that are cost effective, reliable, and feasible.